



Briefing for

Workforce Conference

Director, Programming
Division

March 2004

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Manpower Enterprise Financial

Strategy

POM06 and the Future

- Capability programming for Manpower
 - Process/How to
- VV&A Outcome
 - Impact on FY05/FY06 program and budget
- The Way Ahead – Synchronizing POM 06 and VV&A efforts
 - Is POM06 synch'd?
 - Rather than continue the current strategy to Accredit numerous Legacy manpower models...endorse this effort by
 - » providing acceptance standards
 - » helping us to build a new integrated model to perform Manpower programming and budgeting
- The Foundation has been built by N10
 - Have built the Integrated Data Warehouse which would provide data to such a model



The Problem

Current Business Processes are not Precise

The MPN Challenges

■ Execution

- Biggest single appropriation
- Each year, we have required on average \$120M in reprogrammings
- There is no granular data from which to make decisions

■ Budgeting

- The MPN budget is built on 12 to 24 month old data
 - » The focus is 'backward' looking and uses historical data for projections
- Current methodology presumes Behavior and External Factors remain the same from year to year.
 - » Current process presumes that Longevity (Age of the Force) will not change over time

***Why does the Navy Care...
the cost is less Recapitalization and
Transformation***



Current Paradigm

MILPAY Business Architecture

How we do it today

- ~500 Legacy HR Applications in BUPERS
 - » Doesn't account for aging DFAS pay and accounting systems

The Goal

- Increase accuracy in budgeting and managing the MPN Appropriation
- Decrease overhead cost by reducing the number of systems
- Build flexibility into new architecture to address the Future
 - » FRP
 - » Total Force Management
- Build for the future
 - » Systems integrated with Sea Warrior
 - » Able to work with future pay systems



The Result

We need a Transformation Enabler for MILPAY

We currently have no automated linkage between our top Manpower metrics and related Program Management

- Correlation of Top 6 to Recruiting and Retention policy

Program Management is not based on near time data

- SRB
- Longevity (trends and costing)
- Top 6 population

Inability to perform Granular Programming

- Decision making based on 'best estimate'
- Medical programs - Medical CSRB

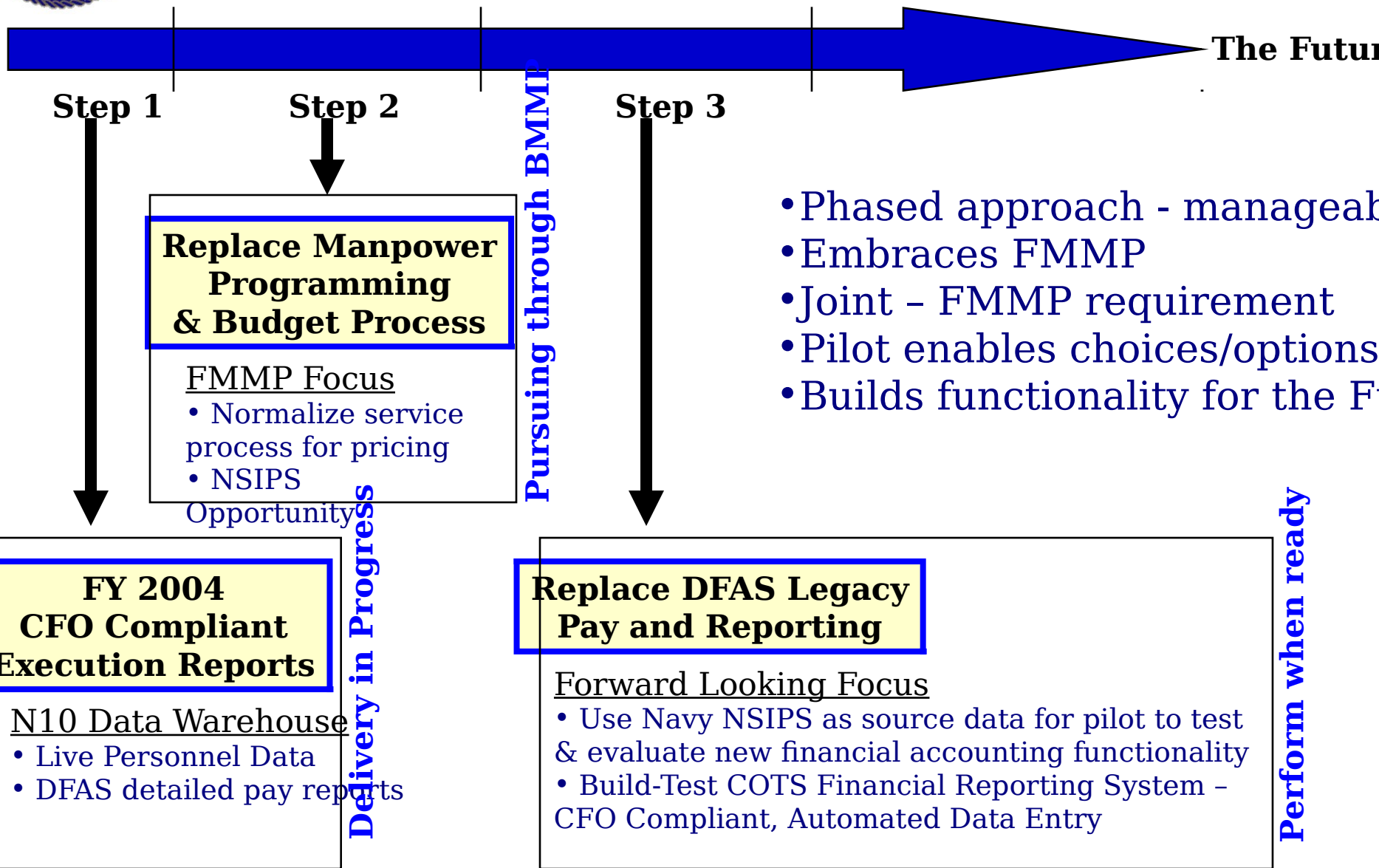
Inability to perform Obligation and Expenditure monitoring

***Unless you are working from the
Source Data,***

your efforts, at best, are event



Strategy for the Way Ahead



Data Warehouse Architecture

Data Sources

USN HR Data

CIVPER
S
DCPDS

Base
Pay

Sql * Loader

Tax

Sql * Loader

JTR

Sql * Loader

Deducti
ons

Allotme
nts

Allowan
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Special
Pay

Sql * Loader

Staging

stage_base
pay

stage_tax

stage_jtr

stage_pa
rse

Data Warehouse

Data
Integration

Aggregate
d Pay Data

Warehouse
Population

Transformations/
Business Rules

Star
Schema

Allot

Allow

SpecP
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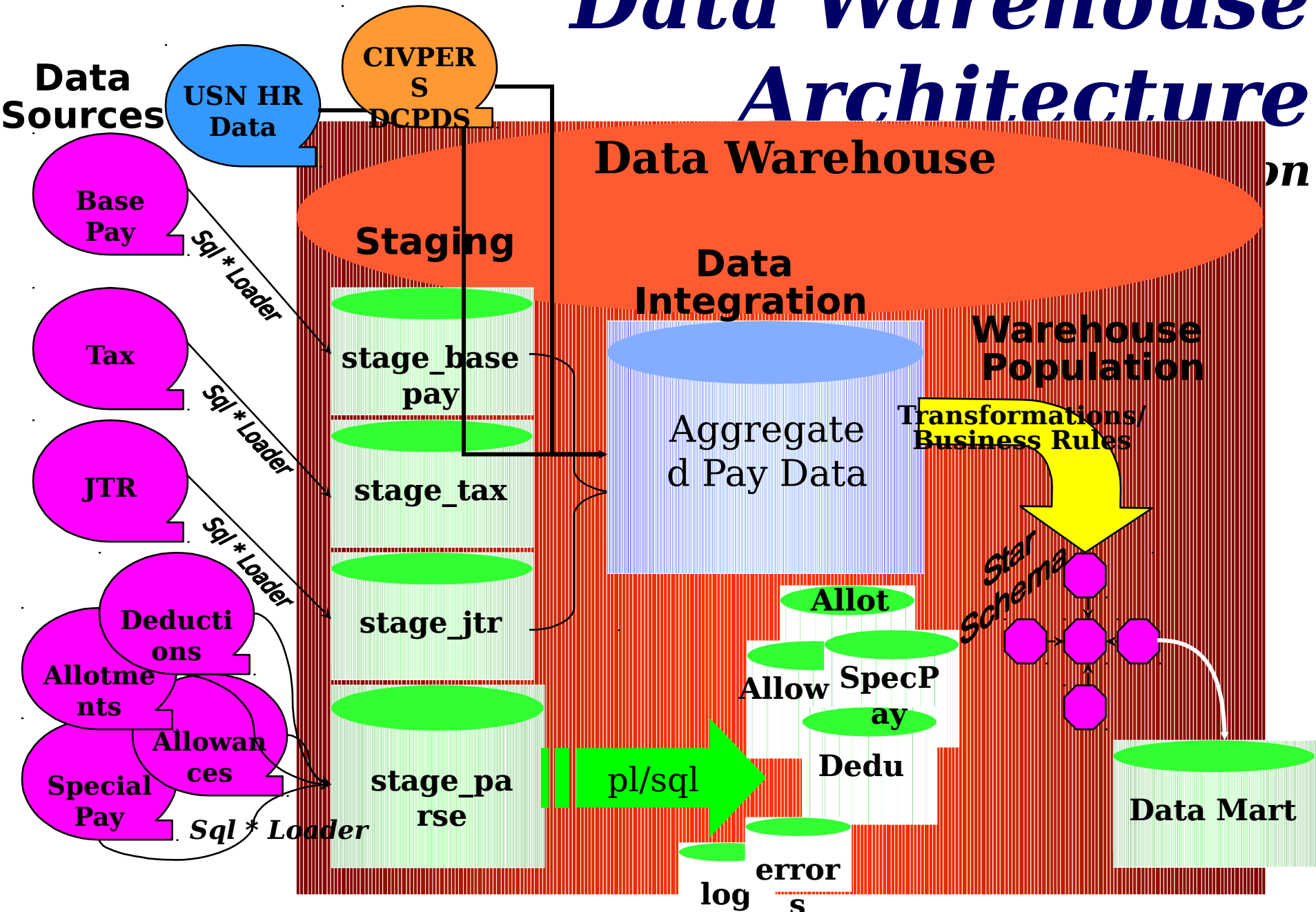
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error

log

pl/sql

Data Mart





Data Warehouse Initiative

Progress Report

Data Warehouse developed to address the
Military Pay Financial Management
Challenge

- **Data Warehouse stood up 10 November**

- Beta testing initiated concurrently by N10 and NSIPS Program Office
- Web-Based access using Business Objects software and Oracle Data Warehouse
- Capability to address future N1 migrated systems

- **Warehouse capability January 04**

- Beta testing continues

- **Collecting requirements for next iteration of improvements to the Warehouse**



Financial Management Software

Initiatives Progress Report

Business Process Reengineering

■ Completing software assessment for Programming & Budgeting Pilot

- Teaming with Science & Engineering Associates (SEA), to ID best of breed COTS software for updating manpower programming & budgeting process
- Have unsuccessfully run three pilot proposals through the OSD BMMP process

Business Architecture Transformation

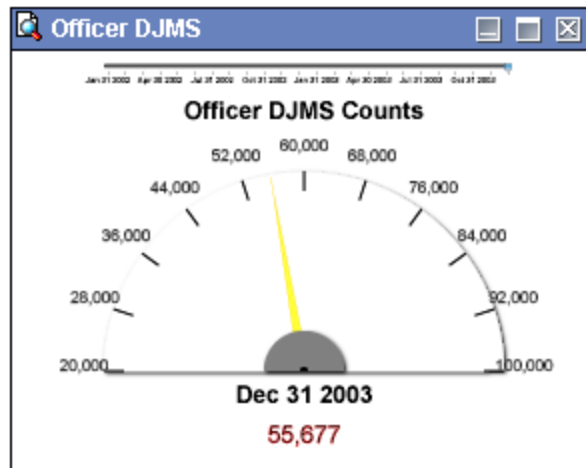
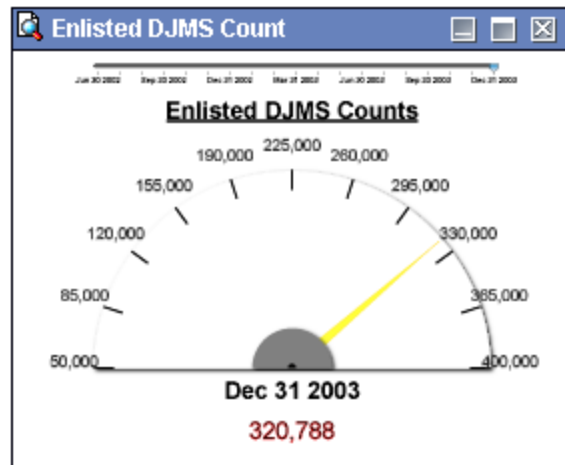
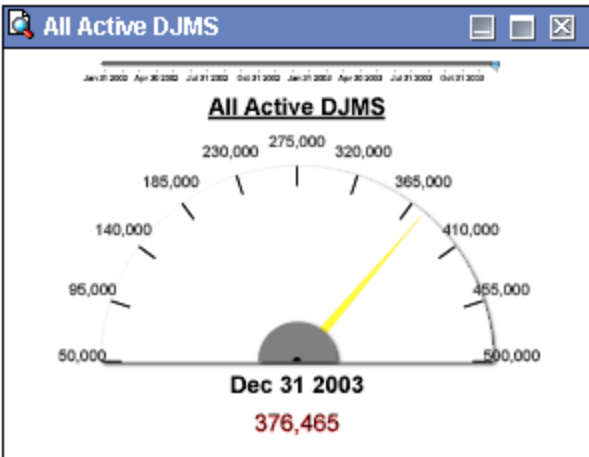
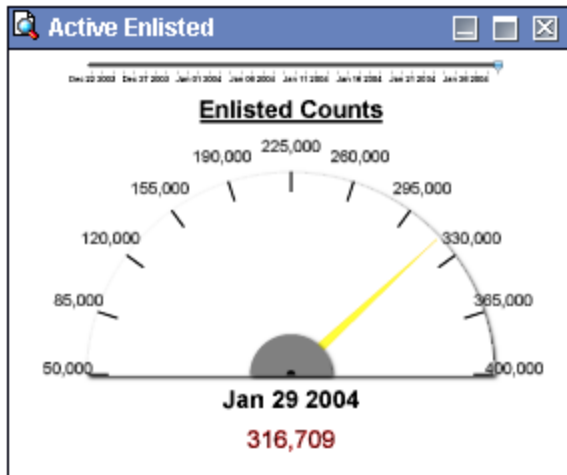
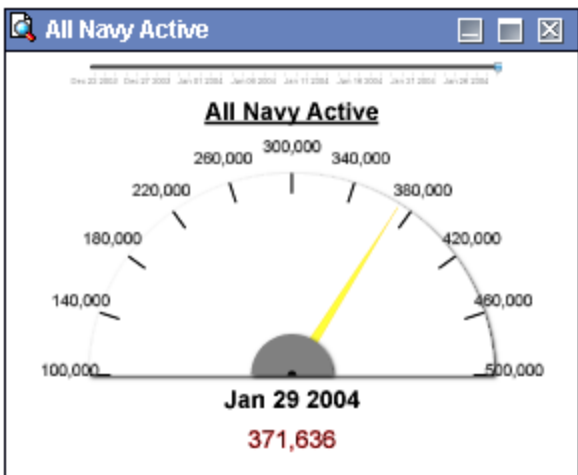
■ Teaming with DFAS to identify Legacy Accounting Systems for replacement ICW Forward Compatible Pay

- Science & Engineering Associates (SEA) investigating COTS software for performing MILPAY accounting including standard reports
- Also replaces pay signal sent to Treasury

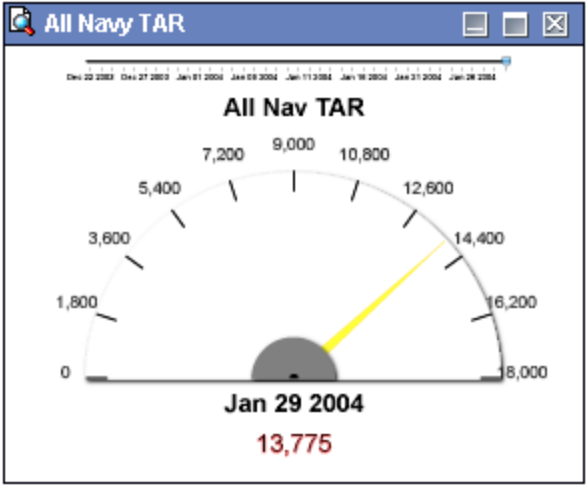
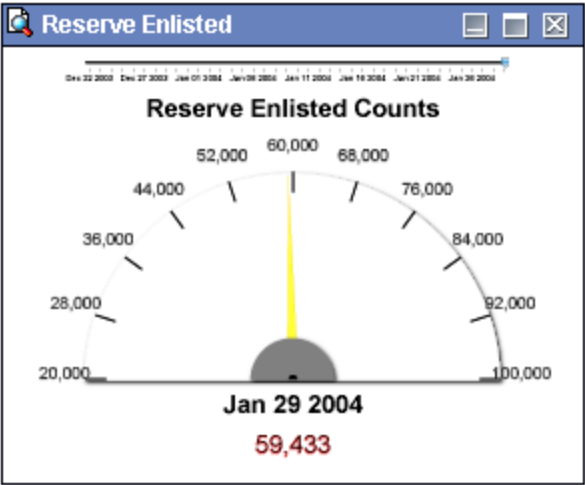
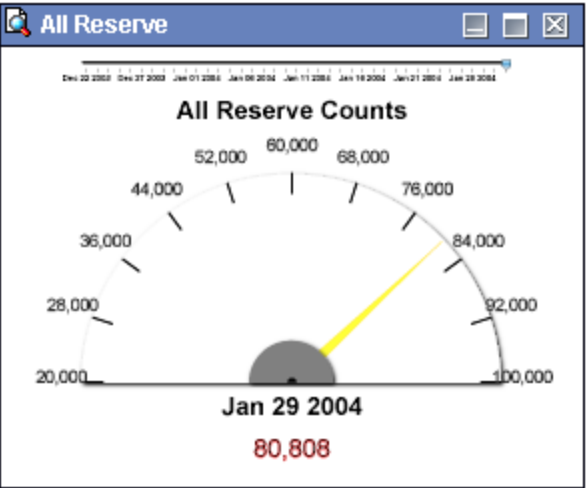


Warehouse Demonstration

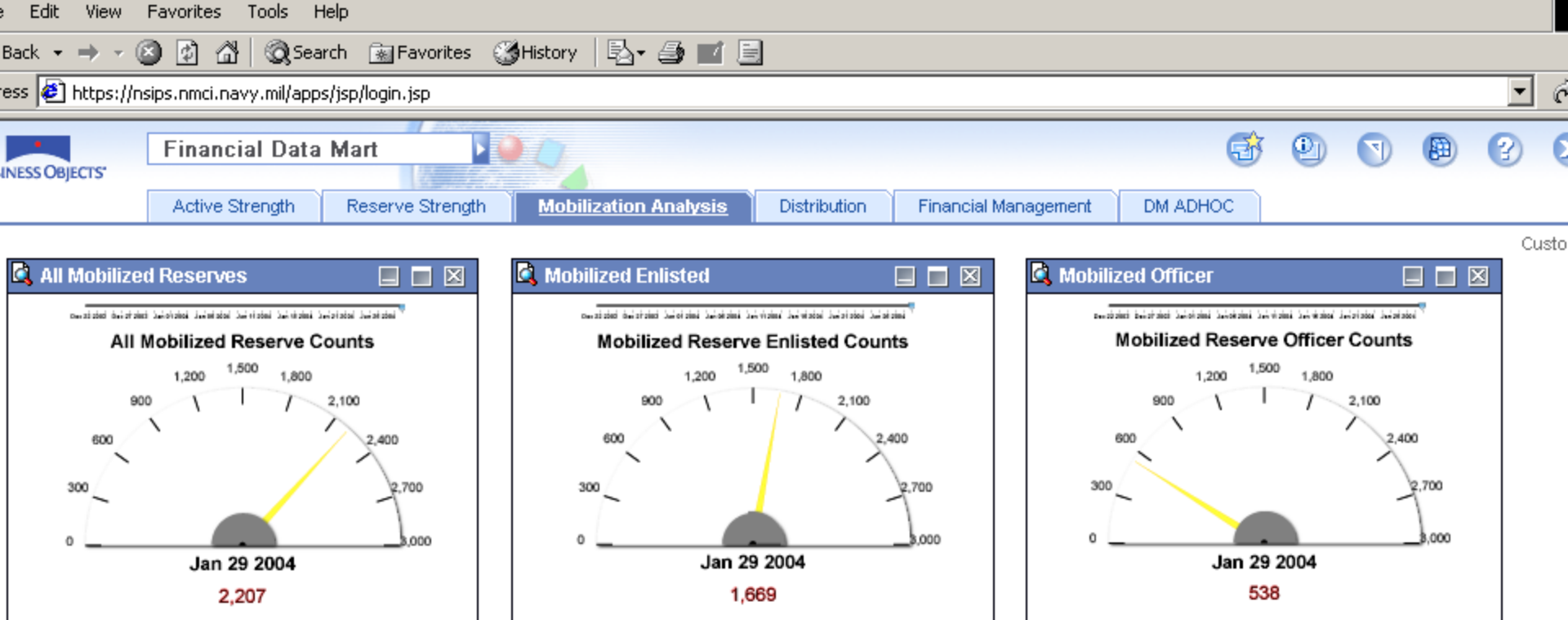
Custom



Active Strength Dashboard



Reserve Strength Dashboard



Mobilized Personnel

February FY04 Officer

AVG Officer Length of Service (LOS) 12.99

LOS	O01	O02	O03	O04	O05	O06	O07	O08	O09	O10	W02	W03	W04	W05	Totals
1	358	24	336	11											729
2	1,360	48	393	38		1									1,840
3	670	1,408	460	72	4	5									2,619
4	408	1,920	434	98		1									2,861
5	181	556	1,709	56	6	1									2,509
6	140	252	1,595	78	4	2									2,071
7	124	204	1,490	198	8	2									2,026
8	98	187	1,593	190	6	3									2,077
9	63	135	1,369	242	19										1,828
10	96	99	917	443	18	4									1,577
11	109	92	520	862	27	7									1,637
12	142	113	377	914	54	14									1,614
13	147	124	305	941	107	15						1			1,640
14	141	177	290	1,002	143	8					4				1,765
15	132	187	271	1,106	174	18					14		1		1,903
16	151	213	344	748	486	25					26	1			1,994
17	127	208	408	440	672	27					48				1,930
18	80	186	416	421	884	66					80	2			2,135
19	41	171	383	451	960	111					107	18			2,242
20	18	129	487	431	874	126					121	38			2,224
21	2	46	436	216	706	135					110	73			1,724
22	1	34	398	169	560	245		1			126	59	1		1,594
23		18	289	196	265	440		1			70	73	10		1,362
24		7	224	220	193	457					44	67	22		1,234
25		5	123	164	150	402					32	65	31		972
26		3	75	166	114	353	9	2			10	40	28		800
27		1	52	141	95	285	10	1			7	14	45		651
28			19	93	95	205	18	2			1	12	71		516
29			8	58	89	163	21	4	1			3	62		409
30			7	32	70	100	26	5				2	50	3	295
31			3	8	44	53	9	17	4			1	14	1	154
32			1		47	35	8	15	1						107
33					26	29	2	9	7				1		74
34					11	26	3	7	7	2					56
35					13	15	1	2	2	2					35
36					3	21	1	2	5	2					34
37					1	11				2					14
38					2	5	1		2	1					11
39						4									4
40						2									2
41						3									3
	2,558	1,079	1,507	115	45	14			1		14	2	1		5,336
Sum:	7,147	7,626	17,239	10,340	6,975	3,439	109	68	30	9	814	471	337	4	54,608

LOS CHAR'
Active Dut
OFFICER

e

February FY04 Enlisted

AVG Enlisted Length of Service (LOS)	7.46
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LOS	E01	E02	E03	E04	E05	E06	E07	E08	E09	Totals
1	10,158	12,565	8,809	716	26	13	7	3	3	32,300
2	481	5,906	20,081	5,775	45	15	2	1		32,306
3	242	828	17,594	16,537	1,633	32	2			36,868
4	119	286	6,384	19,919	6,444	16	1			33,169
5	32	63	1,510	10,446	10,927	80	1			23,059
6	17	24	477	5,384	11,219	603	3			17,727
7	7	10	197	3,410	10,422	1,409	2			15,457
8	9	5	75	1,650	8,667	2,212	6	1		12,625
9	5	2	40	896	6,045	2,797	23	2		9,810
10	5		21	540	4,573	2,922	87			8,148
11	5	1	8	130	3,516	3,804	250	2	1	7,717
12	4		6	50	3,115	4,288	457		1	7,921
13	1			38	1,754	3,598	654	5		6,050
14	2		2	20	1,576	4,353	1,060	12		7,025
15	1		1	18	1,301	4,428	1,487	45		7,281
16	2		1	11	899	4,557	2,160	163		7,793
17	1			11	754	4,481	2,590	308	4	8,149
18				4	668	4,622	2,994	520	16	8,824
19	1		2	2	600	4,407	3,171	778	53	9,014
20	3		2	5	526	4,495	3,331	1,119	145	9,626
21	2				42	489	2,282	1,031	266	4,112
22	3			1	12	124	1,737	925	296	3,098
23	2				1	44	1,007	667	328	2,049
24					1	23	604	520	337	1,485
25	1		1			2	119	372	319	814
26	1						41	275	329	646
27							15	94	327	436
28							7	33	265	305
29								9	193	202
30									184	184
31								1	19	20
32									10	10
33									3	3
34									1	1
		3	12	7	2					24
Sum:	11,104	19,693	55,223	65,570	74,768	53,814	24,100	6,886	3,100	314,258

LOS CHART
Active Duty
ENLISTED

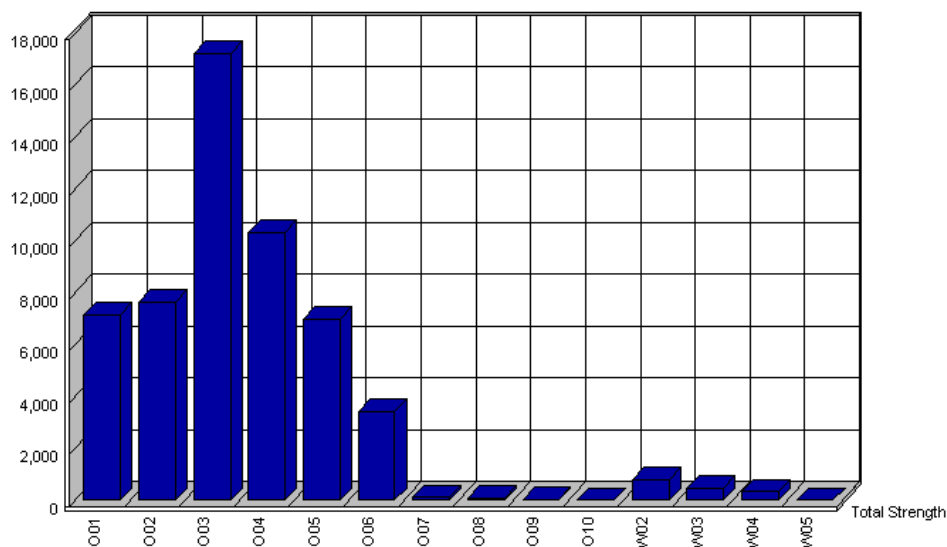


FY04 FORCE PROFILE

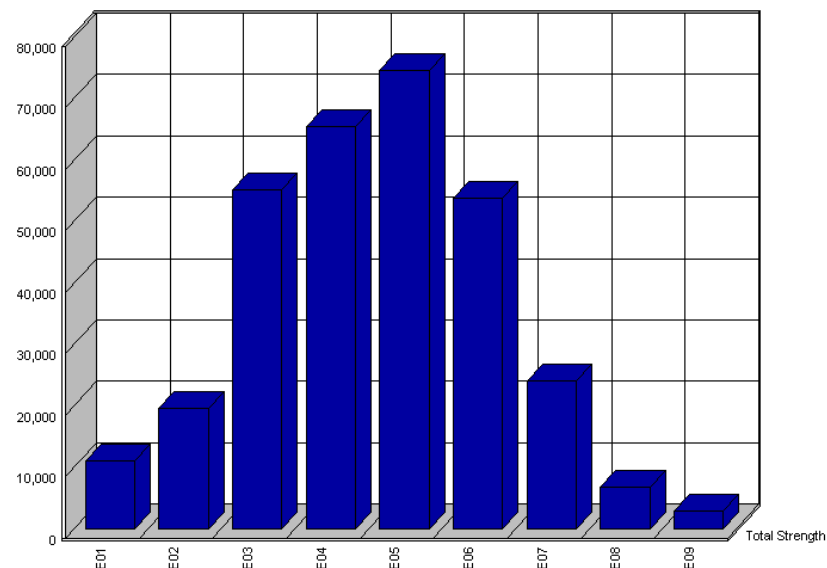
LOS CHART Officer

LOS CHART ENLISTED

Rank	O01	O02	O03	O04	O05	O06	O07	O08	O09	O10	W02	W03	W04	W05
AVG by Rank	5.58	7.13	10.00	14.70	19.45	24.19	29.11	30.97	33.47	35.54	20.02	22.62	27.08	29.92
Rank														



E01	E02	E03	E04	E05	E06	E07	E08	E09
0.68	0.92	2.05	3.79	7.51	13.90	17.88	20.61	24.33



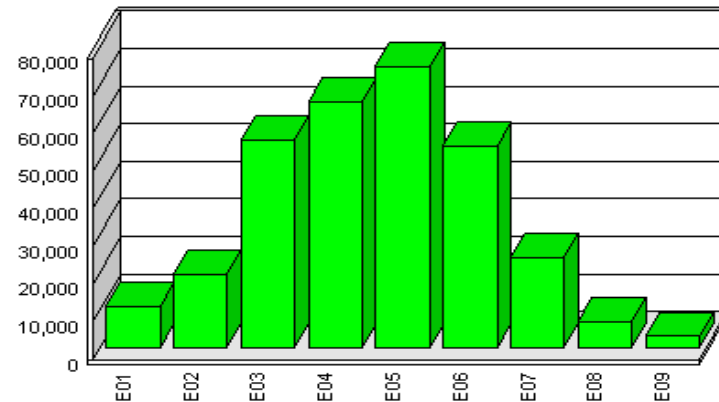
Summary Reports Total Force

Last Run Date: 3/9/2004

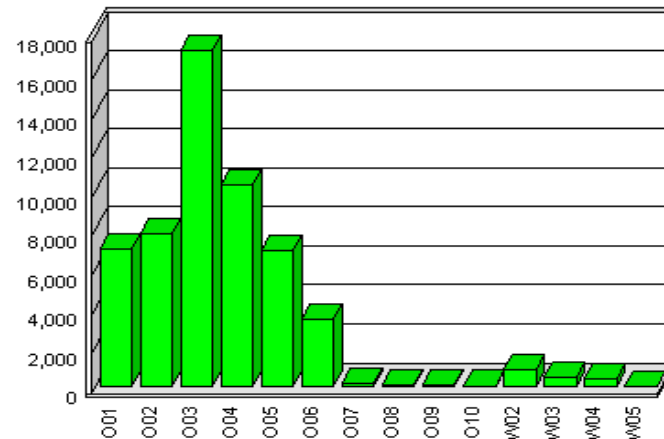
Current Date: 3/9/2004

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Group	Pay Grade	Total Strength	Percentage
E1 - 3	E01	11,174	12.98 %
	E02	19,729	22.91 %
	E03	55,199	64.11 %
	Total	86,102	
	Percent	27.41 %	100.00 %
E4 - 9	E04	65,493	28.72 %
	E05	74,742	32.77 %
	E06	53,774	23.58 %
	E07	24,083	10.56 %
	E08	6,875	3.01 %
	E09	3,098	1.36 %
	Total	228,065	
	Percent	72.59 %	100.00 %
	Grand Total	314,167	
	Percent:	100.00 %	



Group	Rank	Total Strength	Percentage
O1 - 10	O01	7,005	13.23 %
	O02	7,767	14.67 %
	O03	17,208	32.51 %
	O04	10,335	19.52 %
	O05	6,970	13.17 %
	O06	3,438	6.49 %
	O07	109	0.21 %
	O08	68	0.13 %
	O09	30	0.06 %
	O10	9	0.02 %
	Sum:	52,939	
	Percent:	97.02 %	100.00 %
WO2 - 5	W02	816	50.31 %
	W03	470	28.98 %
	W04	336	20.72 %
	Sum:	1,622	
	Percent:	2.97 %	100.00 %
W05	W05	4	100.00 %
	Sum:	4	
	Percent:	0.01 %	100.00 %
	Sum:	54,565	
	Percent:	100.00 %	

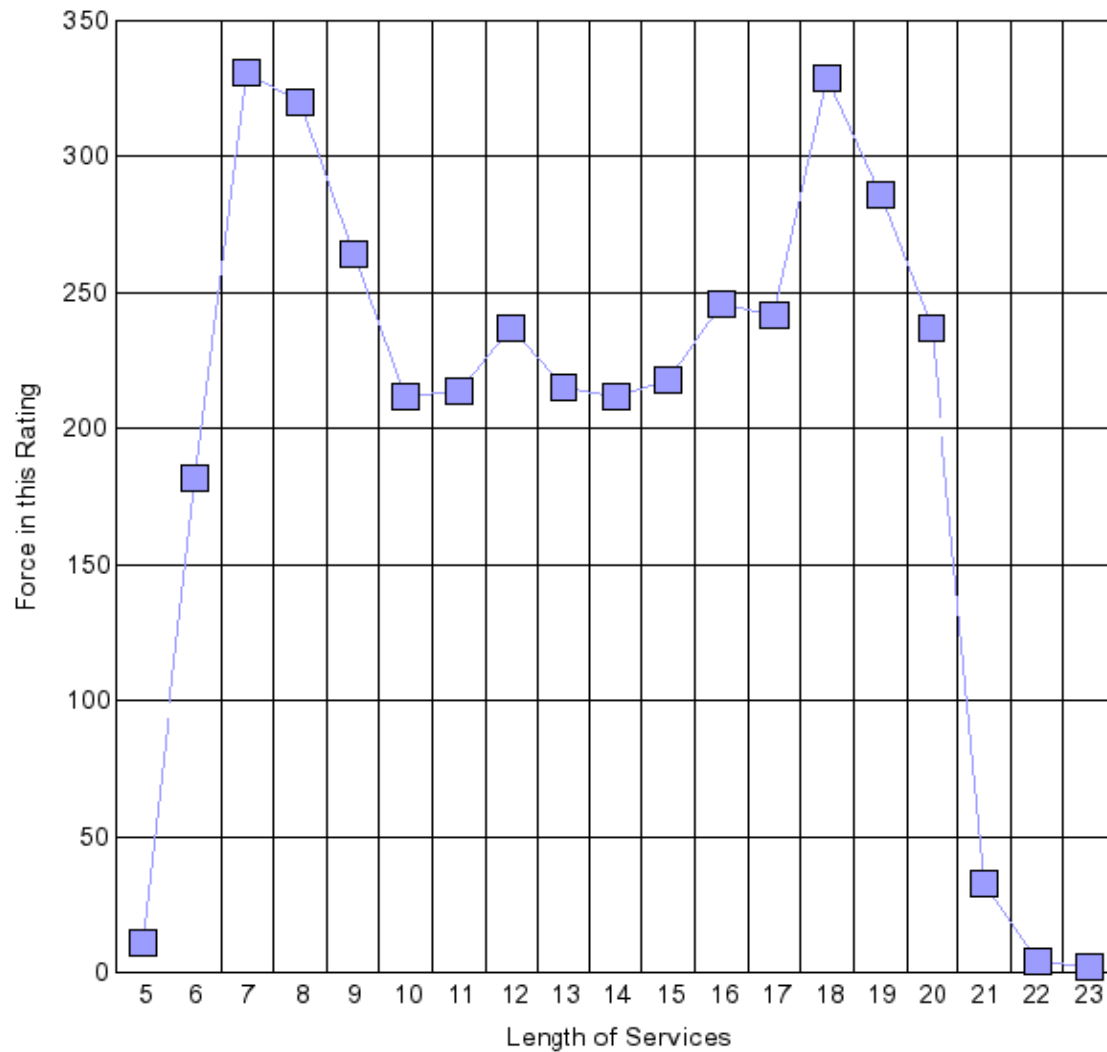


Strength Summary

LOS by Rating

Rating: MM

Description: Machinist's Mate First Class



All Navy Sea/Shore Profile

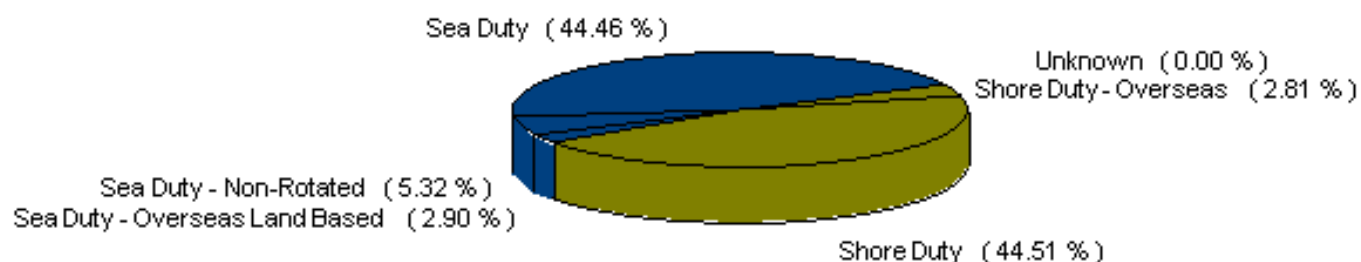
Last Run Date: 3/9/2004

Current Date: 3/9/2004

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Navy Component: Active Duty

Sea Shore Ind	Strength Count	Percentage
Shore Duty	164,121	44.51 %
Sea Duty	163,934	44.46 %
Sea Duty - Non-Rotated	19,634	5.32 %
Sea Duty - Overseas Land Based	10,685	2.90 %
Shore Duty - Overseas	10,356	2.81 %
Unknown	2	0.00 %
Sum:	368,732	
Percent:	100.00 %	100.00 %



Budget Activities

**Budget Activities 2201 - 2206
(Entitlements)**

Last Refreshed Date: 2/29/2004

Current Date: 3/1/2004

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FY	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	Sum:
2003	1,680,347,905.91	1,471,345,611.93	1,440,632,101.31	1,530,623,107.93	1,534,178,118.20	1,565,109,496.09	1,560,874,042.60	1,564,163,442.31	1,578,629,178.26	1,602,667,692.23	1,558,738,764.71	1,557,281,344.04	18,644,590,805.52
2004	1,572,074,665.60	1,518,202,713.42	1,508,938,220.85	1,588,631,572.54	1,558,801,016.81								7,746,648,189.22
Sum:	3,252,422,571.51	2,989,548,325.35	2,949,570,322.16	3,119,254,680.47	3,092,979,135.01	1,565,109,496.09	1,560,874,042.60	1,564,163,442.31	1,578,629,178.26	1,602,667,692.23	1,558,738,764.71	1,557,281,344.04	26,391,238,994.74

Active Duty Pay Data

Total by Svr Component by O/E Ind by BA by SA by SAF ID

FY04 - WHAT MANPOWER COSTS TODAY

Officer Take- Home Pay by LOS (Feb 2004)

LOS	CW2	CW3	CW4	CW5	O1	O2	O3	O4	O5	O6	O7	O8	O9	O10	Sum:
0					13944552.87	637593.86	3417628.57	30295.5	44421.8	20385.4	33.33				18094911.33
1															0
2					2068789.46	8209763.91	2552957.71	1980.91	12784.65						12846276.64
3					1448390.44	11010281.48	2938966.1	106553.19	-6005.72						15498185.49
4					1116328.31	4676382.86	22804648.98	483604.61	24277.22	7566.62					29112808.6
6					1024226.27	1761507.41	20325356.96	3861575.18	53011.83	7468.76					27033146.41
8					1291185	1388277.9	15699944.9	5049902.7	154689.43						23583999.93
10					1671106.05	2029943.2	6410106.47	16266954.23	348048.72						26726158.67
12	25049.03				1554647.74	2255200.95	5315106.11	16640405.28	1644782.97	88738.51					27523930.59
14	193166.39				1497295.03	2882847.05	5928392.26	16963442.7	5130779.86	109889.61					32705812.9
16	664541.06	9784.66			1045513.96	2725620.91	7100645.01	9261604.13	14150322.83	277699.65					35235732.21
18	967877.58	171154	6165.83		270698.31	1657030.35	5152702.64	8000582.61	18043999.93	738972.33					35009183.58
19									2395.2						2395.2
20	1576252.94	857540.24			84242.31	985482.62	7336457.63	5309991.44	14197222.84	2662407.96					33009597.98
22	916257.1	846923.57	180900.32		11802.11	233663.19	4420968.12	4679959.71	6477260.84	9820887.46		10810.53			27599432.95
24	314954.18	673938.9	370462.59		11852.83	67954.66	1816435.47	3161169.06	3153244.18	9106719.19	89265.69				18765996.75
26	110079.75	290150.25	798089.15			20573.73	912738.92	2779730.31	2857598.59	6800240.12	311156.09	13182.53			14893539.44
28	17540.99	108231.92	1243577.92	33945.4			250207.55	1436712.79	5135164.3	9851942.57	827739.26	843409.62	396397.71	115160.62	20260030.65
30		5693.73													5693.73
Sum:	4785719.02	2963417.27	2599195.81	33945.4	27040630.69	40542124.08	112383263.4	94034464.35	71423999.47	39492918.18	1228194.37	867402.68	396397.71	115160.62	397906833.1

FY04 - WHAT MANPOWER COST TODAY

Enlisted Take- Home Pay by LOS (Feb 2004)

LOS	E1	E2	E3	E4	E5	E6	E7	E8	E9	Sum:
0	17249187.24	37177124.1	72062399.08	23361822.32	1113244.56	2233559.33	596842.57	32528.8		153826708
1										0
2	1351314.87	2837041.48	40815210.13	45494985.4	6745545.66	138336.09				97382433.63
3	859445.05	1340785.15	17500686.83	61914059.91	28547402.46	90736.1				110253115.5
4	201090.61	282786.02	4616019.23	44650293.96	79415982.52	3040275.45				132206447.8
5										0
6	65094.33	44471.32	1017410.33	15351438.32	68066958.44	15401509.42	29457.63			99976339.79
7										0
8	79823.27	41870.38	411400.85	5961366.51	41626482.7	24642851.06	537327.51			73301122.28
9										0
10	63028.39	13025.74	176407.6	1926795.42	28819668.98	36203803.33	3523683.78	3839.19		70730252.43
12	28896.98	2052.66	53796.06	582344.85	15112757.61	37164349.64	8658945.39	68527.85		61671671.04
14	33418.48	2357.74	14914.8	243637.02	10521039.29	42690617.43	18449113.17	1133042.89		73088140.82
16	16214.36	3096.99	8806.27	116468.99	6570063.53	43891401.94	28713364.31	4557853.12	121812.24	83999081.75
17						242.81				242.81
18	40805.3	1091.27	5037.71	27150.72	4689607.46	35334982.46	27446462.04	7726175.09	818351.41	76089663.46
19										0
20	15579.55			9403.16	1869803.89	17369220.71	28503451.8	13266823.78	3474778.72	64509061.61
22	4047.6	1337.7		966.48	349577.26	2404784.39	13089556.83	9081276.72	4968537.83	29900084.81
24	2387.1				81399.2	573566.97	2908282.95	4501839.47	4405906.72	12473382.41
26					42443.48	204007.79	847956.48	1949759.31	5004662.79	8048829.85
28						157670.57	445623.67	442931.22	4518248.38	5564473.84
30						4370.3	4155.3			8525.6
Sum:	20010333.13	41747040.55	136682088.9	199640733.1	555118262.8	395300509.2	176518820.9	66076895.53	1176341876	1153029577

T104 - WHAT MANTOWER COST TODAY

Midshipmen Take- Home Pay by LOS February 2004

LOS	MIDN2	MIDN3	MIDN4	Sum:
	805440.12	873656.56	1742106.6	3421203.28
Sum:	805440.12	873656.56	1742106.6	3421203.28



Enterprise Solution

The Way Ahead

Data Enabler for Sea Warrior

- Enterprise Total Force Data Warehouse
 - » Active, Reserve, CIVPERS

N1 Enterprise for Total Force Management

- DCPDS, Reserves, Active

Business Architecture Transformation

- Decreases legacy system inventory
 - » N1 Personnel/HR Systems
 - » DFAS Accounting Systems